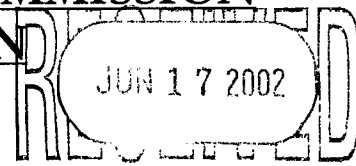


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ARIZONA CORPORATION  
SECTION



**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

5

W-02262A  
SONOITA VALLEY WATER COMPANY  
3301 NORTH CAMINO LOS BRAZOS  
TUCSON AZ 85750-

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

6-18-02 *cm*

SCANNED

## COMPANY INFORMATION

**Company Name (Business Name)** SONOITA VALLEY WATER COMPANY

**Mailing Address** 3301 N. CAMINO LOS BRAZOS  
(Street)  
TUCSON AZ 85750  
(City) (State) (Zip)

520-762-5961 520-762-5971 520-982-9721  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** mike@ronstadt.com

**Local Office Mailing Address** 3301 N. CAMINO LOS BRAZOS  
(Street)  
TUCSON AZ 85750  
(City) (State) (Zip)

520-762-5961 520-762-5971 520-982-9721  
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** mike@ronstadt.com

## MANAGEMENT INFORMATION

**Management Contact:** MICHAEL RONSTADT OWNER  
(Name) (Title)

3301 N. CAMINO LOS BRAZOS TUCSON AZ 85750  
(Street) (City) (State) (Zip)

520-762-5961 520-762-5971 520-982-9721  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** mike@ronstadt.com

**On Site Manager:** RALPH E. SMITH  
(Name)

P.O. Box 655 SIERRA VISTA AZ 85636  
(Street) (City) (State) (Zip)

520-459-7040 529-515-7404 520-429-0135  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

Statutory Agent: CATHY L. SEULAN

(Name)

1824 N. RANCH DRIVE

(Street)

TUCSON

(City)

AZ

(State)

85715

(Zip)

520-722-1083

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: N/A

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☒ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Donorita Valley Water

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants	0	0	0
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>			

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME**

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants	0	0	0
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>			

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

Sonoma Valley Water

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 527.01	\$
134	Working Funds		
135	Temporary Cash Investments	50.00	
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$	\$
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$	\$
	<b>TOTAL ASSETS</b>	\$	\$

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Sonoma Valley Water

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	9774.40	
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$	\$
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1242.00	
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	696.00	
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$	\$
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$	\$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$	\$

COMPANY NAME

Sonoma Valley Water

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 14,963.63	\$ 13,659.75
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$	\$
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	1523.48	1382.06
618	Chemicals		
620	Repairs and Maintenance	2806.21	
621	Office Supplies and Expense	2504.53	
630	Outside Services	1043.75	
635	Water Testing		
641	Rents		
650	Transportation Expenses	2710.90	
657	Insurance – General Liability	127.88	
659	Insurance - Health and Life	6853.88	
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$	\$
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 12.96	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXP</b>	\$	\$
	<b>NET INCOME/(LOSS)</b>	\$	\$



COMPANY NAME

Sonoma Valley Water

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year

\$ \_\_\_\_\_

COMPANY NAME

Sonoma Valley Water

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
547291	3	10	4"	3/4

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = \_\_\_\_\_

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	2000 GAL	1

## STATISTICAL INFORMATION

Total number of customers 36

Total number of gallons sold 1,982,719 gallons

COMPANY NAME SONOITA VALLEY WATER COMPANY YEAR ENDING 12/31/2001

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported \_\_\_\_\_  
Estimated or Actual Federal Tax Liability \_\_\_\_\_

State Taxable Income Reported \_\_\_\_\_  
Estimated or Actual State Tax Liability \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

6-14-2002  
DATE

MICHAEL RONSARD  
PRINTED NAME

OWNER  
TITLE

ABOVE INFORMATION WILL BE  
IN REVISED REPORT AS PER  
COVER LETTER

COMPANY NAME Santa Valley Water YEAR ENDING 12/31/2001

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 3235.74

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

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**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>SANTA CRUZ</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>MICHAEL E DETSMITH ROUSANT</u>
COMPANY NAME	<u>SONOTA VALLEY WATER COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 13,659.75

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

--

DAY OF

COUNTY NAME	
MONTH	<u>20</u>

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

**INSTRUCTIONS FOR COMPLETING 1999 UTILITY ANNUAL REPORT  
FOR WATER UTILITIES WITH UNDER \$250,000 IN WATER ANNUAL GROSS  
OPERATING REVENUES, AND FOR SEWER UTILITIES WITH UNDER  
\$250,000 IN SEWER ANNUAL GROSS OPERATING REVENUES**

All water or sewer utilities under the jurisdiction of the Arizona Corporation Commission, including those utilities that have no operation, must mail a completed copy of the Arizona Corporation Commission, Utilities Division Annual Report for 1999 to the address shown below by no later than April 15, 2000:

**UTILITIES DIVISION – ANNUAL REPORT SECTION  
ARIZONA CORPORATION COMMISSION  
1200 West Washington – Suite 206  
Phoenix, Arizona 85007-2996**

Annual Reports that do not contain complete information, or are not filed using the proper annual report form, will be returned for completion. **DO NOT USE FORMS FROM PRIOR YEARS.**

Failure to file a 1999 Utility Annual Report may result in an Order to Show Cause being issued by the Arizona Corporation Commission.

**\*\* \* HIGHLIGHTING THIS YEAR'S UTILITY ANNUAL REPORT \* \* \***

There have been no significant changes to the Annual Report.

Pages 5 and 12 on line 339 of the Water Report and pages 5 and 12 on line 389, now refer to "OTHER PLANT & MISCELLANEOUS EQUIPMENT".

**SEWER UTILITIES:**

Page 15 is required to be completed and notarized by ALL UTILITIES.

Page 16 focuses on residential revenues is required to be completed and notarized by ALL UTILITIES. If your company has no residential revenues, write "NONE" in the total box, notarize and return with the completed Annual Report.

**WATER UTILITIES:**

Page 16 is required to be completed and notarized by ALL UTILITIES.

Page 17 focuses on residential revenues is required to be completed and notarized by ALL UTILITIES. If your company has no residential revenues, write "NONE" in the total box, notarize and return with the completed Annual Report.

No revisions were made to either the water or sewer glossaries; therefore, each is still denoted by a revision date of 1/95.

Please do **NOT** include city or state sales tax monies billed or collected as revenue (or as an expense) in Water Report pages 11, 13 and 14 or in Sewer Report pages 11 and 13. However, sales tax monies billed or collected **MUST** be included on both pages 15 and 16 (Verification and Sworn Statement Pages) the Sewer Report and pages 16 and 17 in the Water Report.

## REV. 1.00 cm



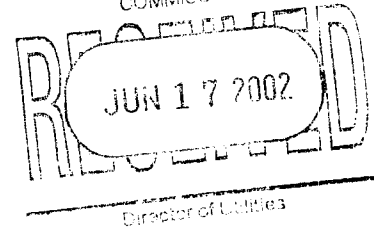
4. Questions concerning the Water Annual Report or Sewer Annual Report should be directed as follows:

- A. For questions of a technical nature, contact:  
Claudio Fernandez, Manager, Revenue Requirements Analysis (602) 542-4251.
- B. For all other questions, contact:  
Carmen Madrid, Annual Report Administrator, (602) 542-4251.

Fax 520-76-5961

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>SANTA CRUZ COUNTY</u>	
NAME (OWNER OR OFFICIAL) <u>Deborah J. Ronstadt</u>	TITLE <u>Secretary</u>
COMPANY NAME <u>Sonoita Valley Water Co.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 13,659.75

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X [Signature]  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

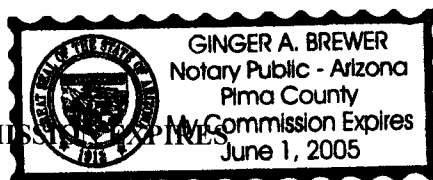
THIS

14th

DAY OF

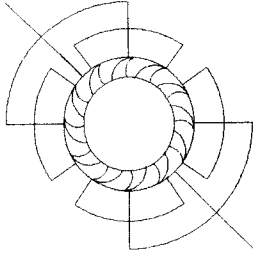
(SEAL)

MY COMMISSION EXPIRES



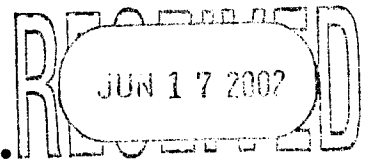
NOTARY PUBLIC NAME <u>Ginger A. Brewer</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>June</u>	20 <u>02</u>

X [Signature]  
SIGNATURE OF NOTARY PUBLIC



**Sonoita Valley Water Co.**  
**3301 N. Camino Los Brazos**  
**Tucson, Arizona 85750**  
**520-762-5961**

ARIZONA CORPORATION  
COMMISSION



Director of Utilities

June 14, 2002

Arizona Corporation Commission  
Utilities Division  
Attn: Carmen Madrid  
1200 West Washington, Ste. 206  
Phoenix, Arizona 85007

**RECEIVED**

JUN 14 2002

**ARIZONA CORP. COMM.**  
**TUCSON, AZ.**

Dear Ms. Madrid,

Enclosed please find our Annual Report for the year ending 12/31/2001.

We have retained an accounting firm to update our book keeping system to match the chart of accounts with your guidelines, as well as streamline our data input. This process is still ongoing and I will send a revised report as soon as we are finished.

Thank you for your attention on this matter.

Sincerely,

Michael J. Ronstadt  
Owner  
Sonoita Valley Water Company